

Financial Services Guide

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Police Financial Services Limited

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BankVic

IMPORTANT INFORMATION

BankVic has prepared this Financial Services Guide (FSG) to assist you in deciding whether to acquire any of the products or services we are authorised to provide. It contains important information about:

- The products and services we offer;
- How we and others are paid for those products and services;
- The interests, associations and relationships we have;
- How we deal with complaints; and
- Our contact details.

OTHER DOCUMENTS YOU MAY RECEIVE

If we provide you with personal advice (advice which takes into account your objectives, financial situation and needs) about an insurance product or about any other product that is not a 'basic deposit' product or a related facility for making payments other than by cash, you will also receive a Statement of Advice (SOA). A SOA sets out the personal advice given to you, including any recommendations about particular financial product/s, the basis of those recommendations, information about fees and commissions and associations with others that may have influenced the advice.

If we recommend, offer or issue you with a financial product, we will give you Terms and Conditions (T&Cs) or disclose the key information contained in the T&Cs.

THE PRODUCTS AND SERVICES WE OFFER

BankVic is licensed, to deal and advise in:

- basic deposit products;
- non-basic deposit products;
- non-cash payment services;
- general insurance products; and
- retirement savings accounts (no longer for sale).

REMUNERATION AND OTHER BENEFITS

Our representatives are salaried employees who do not receive any commission for products and services we issue or recommend. Any commission or payment from third party products is paid directly to BankVic and applied for the benefit of all members.

Our staff may be eligible to receive bonuses, incentives and additional benefits based on a number of factors, including:

- achieving high standards in member service;
- our performance against targets; and
- for the sale and/or promotion of products.

The incentives may take the form of movie tickets, gift cards, electronic devices, tickets to sporting and cultural events or similar rewards, either from us or from third party providers for whom we act as an agent. BankVic may also offer travel vouchers for domestic and/or international travel. Additional benefits such as complimentary or subsidised attendance at conferences may also be provided by us to our staff.

DEPOSIT AND PAYMENT SERVICES

RELATIONSHIPS BETWEEN BANKVIC AND OTHER PARTIES AND COMMISSIONS

BankVic is owned and controlled by its shareholders (members).

However, like other customer-owned financial institutions, we have arrangements with transactional product providers to provide members with the non-cash payment services. Through Indue Limited ABN 97 087 822 464 (Indue) a provider of transactional products, we can provide members with debit and credit cards (distributed by Visa International), cheque books and BPAY Pty Ltd ABN 69 079 137 518 (BPAY). Through American Express International Incorporated ABN 15 000 618 208 AFSL 237996 (AMEX) we can provide members with foreign currency services.

Other than our relationships with Indue and Amex, we do not have any other relationships which might influence the circumstances in which advice on our deposit and payment products is provided.

We provide our Visa debit cards and Visa credit cards, on behalf of Visa International. We receive commission for the value of a credit

transaction effected by our cardholders. We also receive a currency conversion fee on all international transactions.

DEBIT CARD

Type of transaction	Domestic	International
Electronic	9 cents (weighted average)	0.90%-1.10% The actual % will depend on the region.
Currency conversion		3.65% of the AUD amount (Included in the Australian dollar transaction amount shown in your Statement of Account.)

BPAY[®] BILL PAYING SERVICES

We provide BPAY bill paying services on behalf of BPAY. We receive commission of 46 cents for every transaction, of this payment, 19 cents is passed on to our service provider, Indue.

FOREIGN CURRENCY SERVICES

We provide international telegraphic transfers and drafts on behalf of Amex. For this service, we receive for every individual transaction effected by our members

Type of transaction	Amex
Telegraphic Transfers	0.5% per individual transaction
Drafts	0.5% per individual transaction

RETIREMENT SAVINGS ACCOUNTS (RSA) - NO LONGER FOR SALE

Our retirement savings account, SuperFuture, is available as a savings account or term deposit. Account based income streams are also available with the RSA. The accounts have no set up or ongoing fees, however withdrawal or exit fees may be charged by our service provider, Mainstream Superannuation Services Pty Ltd. The insurance on our retirement savings accounts is provided by TAL Life Limited.

Death and Total and Permanent Disability insurance cover is available on this product via TAL Life Limited at group policy premiums.

Type of RSA	Fee	Charged
Savings	This fee will be indexed each year (at 30 June) in line with movements in Average Weekly Ordinary Time Earnings.	Deducted from RSA balance at the time of withdrawal or transfer.
Term deposit	This charge is not a fixed amount but a reduction in the interest rate.	This is applied when RSA term deposit is redeemed prior to maturity. The maximum reduction will be the difference between the contracted interest rate for the redeemed deposit and the rate payable on the lowest RSA variable rate.
Income stream	This fee is to facilitate the Income Stream payments.	This fee is charged annually.

INSURANCE SERVICES

We act as agent for a number of insurers and can arrange the insurance you select through the issuer for a variety of general insurances and personal risk insurances. When offering you an insurance policy or referring you to an agency we will clearly disclose our relationship and any remuneration, including details of any commission payable. The commission rate varies depending upon the insurer and the type of insurance product sold.

Through

- Insurance Australia Group Limited (IAG) ABN 11 000 016 722 AFSL 227681 trading as CGU Insurance
- Swann Insurance (Swann)
- MLC Limited (MLCL)

we are able to arrange the insurance you select;

- Home
- Motor vehicle and motor equity
- Caravan and trailer
- Landlord
- Consumer credit insurance (no longer for sale)
- Pleasure craft
- Travel

The insurer you select is the issuer of the relevant policy.

We have a referral arrangement in place with MLCL for;

- Debt Insurance

HOW WILL YOU PAY FOR OUR INSURANCE SERVICES

Where you acquire an insurance policy you will be charged a premium, payable yearly or monthly, for that policy and based on your circumstances (plus relevant taxes and charges) by the insurance company.

We receive a commission from the insurer when you first acquire an insurance policy and on renewal of that policy. The amount of commission depends on the insurance company providing the policy and the type of insurance and will be disclosed to you prior to you purchasing the policy.

For example, with general insurance policies,

Type of Insurance	Commission
IAG	10% - 20%
Swann	20%

Where the policy is a sickness and accident, debt insurance, term life or accident death plans, that is a personal risk insurance policy, the commission will be:

	MLCL Debt Insurance
New Policy - first year premium	20%

OTHER SERVICES PROVIDED BY US

CREDIT PRODUCTS

We are, through our Australian Credit Licence, able to provide credit products namely

- Home loans;
- Home investment loans;
- Car loans;
- Personal loans for student, travel and general purposes;
- Lines of credit;
- Credit cards; and
- Overdrafts.

More information for these products can be found on our website, in branches and in our Credit Guide.

HEALTH INSURANCE

We have partnered with Bupa Australia Health Pty Ltd ABN 50 003 098 655, trading as Bupa, to provide private health insurance in the Member Health Plan.

We will receive a commission up to 3% on each policy for referring this insurance. For example: on a monthly premium of \$80 BankVic will receive a commission of \$2.40.

INCOME PROTECTION

BankVic does not provide income protection products, however BankVic has agreed to act as an administrator for the provision of income protection insurance to members of the Ambulance Employees of Australia – Victoria (AEA-V) and the Victorian Ambulance Union Inc (VAU).

BankVic makes this insurance product available under agreements with underwriter Lloyds of London.

Where you acquire the relevant insurance policy you will be charged a premium for that policy based on your circumstances (plus relevant taxes and charges). BankVic receives a commission equal to 30% from the insurer. For example: On a monthly premium of \$40, BankVic will receive a commission of \$12. BankVic may choose to use a portion of this commission to further support this policy; or its members. BankVic staff are salaried employees and do not receive a commission for policies you may acquire through the referral.

FINANCIAL PLANNING

We have partnered with Bridges Financial Services Pty Ltd ABN 60 003 474 977, to provide Financial Planning Services to our members if requested.

We will receive referral fees as shown below for each referral to Bridges.

Referral Fees

Conversion category	Fees paid per initial Conversion*
Comprehensive Advice	\$1,500
Single Strategy Advice	\$300

* Please note that if a single Statement of Advice is issued to cover multiple parties (eg. A couple), this will be considered as a single Conversion and Bridges will pay the Referral fee for one Comprehensive or Single Strategy Advice (ie for one Client and not two if the Statement of Advice is for a couple).

COMPLAINTS AND DISPUTE RESOLUTION

WHO SHOULD YOU APPROACH IF YOU HAVE A COMPLAINT ABOUT THE SERVICE YOU HAVE RECEIVED?

We will endeavour to investigate and resolve any complaint promptly, thoroughly and fairly and have our own internal dispute resolution procedure. This procedure is outlined in our Complaints and Dispute Resolution Guide which is available on our website, from any of our branches or by telephoning us on 13 63 73.

If you have a complaint about a product or the service offered or provided by us please call us on 13 63 73 or visit bankvic.com.au to view our Complaints and Dispute Resolution Guide. The Guide explains how we deal with complaints and disputes and the options available to you.

If we are unable to satisfactorily resolve your complaint you are entitled to have your complaint reviewed free of charge by the Australian Financial Complaints Authority (AFCA). AFCA provides external dispute resolution services of which we are a member. AFCA can be contacted on 1800 931 678 (free call), info@afca.org.au or GPO Box 3, Melbourne, Victoria 3001.

PRIVACY OF YOUR PERSONAL AND FINANCIAL INFORMATION

WHY DO WE OBTAIN INFORMATION?

BankVic collects personal information directly from you when you apply for membership, when you apply for products and services and when you inform us of any change to the information we hold about you. We also collect your personal information from others when you transact on your account/s, visit our website, as required by relevant laws or with your specific consent and in managing our business.

If you do not provide the requested personal information, BankVic may not be able to consider your application for credit or provide you with the product and/or service you have requested.

PRIVACY POLICY

Our Privacy Policy is available to you on request by calling 13 63 73, visiting a branch and on our website bankvic.com.au and provides additional information about how we handle your personal information. It sets out how you can ask for access to personal information we hold about you and seek correction of that information. It also explains how you can complain about a breach of the Privacy Act or the Credit Reporting Privacy Code, and how we will deal with your complaint. We will give you a copy of our Privacy Policy on request.

